



ace usa

Named Insured: State of Montana

Policy: PHFD37065602

Declarations Effective: December 1, 2006

Company Name: ACE American Insurance Company

LIABILITY COVERAGES DECLARATIONS

Insurance applies only to those coverages for which a Limit of Insurance is shown:

LIMITS OF INSURANCE	COVERAGES
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COMMERCIAL GENERAL LIABILITY COVERAGE

\$	1,000,000	each "occurrence"
\$	1,000,000	products/completed operations aggregate
\$	1,000,000	personal & advertising injury aggregate
\$	1,000,000	premises damage limit (each occurrence")
\$	10,000	medical expense limit (any one person)

CONTINGENT AUTOMOBILE LIABILITY COVERAGE

\$	1,000,000	each "accident"
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EMPLOYEE BENEFITS LIABILITY ENDORSEMENT

\$	1,000,000	each claim
\$	1,000,000	annual aggregate

COVERAGE TERRITORY FOR LIABILITY COVERAGES:

The Coverage Territory for COMMERCIAL GENERAL LIABILITY COVERAGE, CONTINGENT AUTO LIABILITY COVERAGE, and EMPLOYEE BENEFITS LIABILITY ENDORSEMENT means:

ANYWHERE IN THE WORLD

but excludes:

1. the United States of America (including its territories and possessions) and Puerto Rico
2. any country or jurisdiction which is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America.

In jurisdictions where we may be prevented by law or otherwise from paying on behalf of or defending the insured, we will:

1. indemnify the insured for those sums that the "insured" becomes legally obligated to pay as damages to which this insurance applies and
2. pay the cost of defense and aid and manage the insured's defense.



ace usa

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION I COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

INSURING AGREEMENT

We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS COVERAGES A AND B. This insurance applies only to "bodily injury" and "property damage" which occurs during the Policy Period. The "bodily injury" or "property damage" must be caused by an "occurrence." The "occurrence" must take place in the "coverage territory." We will have the right and duty to defend any "suit" seeking those damages.

But:

1. The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE;
2. We may investigate and settle any claim or "suit" at our discretion; and
3. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

"Property damage" that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the "occurrence" that caused it.

EXCLUSIONS

This insurance does not apply to:

Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

Contractual

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

1. Assumed in a contract or agreement that is an "insured contract"; or
2. That the insured would have in the absence of the contract or agreement.

Alcoholic Beverages Business

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

1. Causing or contributing to the intoxication of any person;
2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Workers Compensation

Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.

Employee Indemnification and Employers Liability

"Bodily injury" to:

1. An employee of the insured arising out of and in the course of employment by the insured; or
2. The spouse, child, parent, brother or sister of that employee as a consequence of 1. above.

This exclusion applies:

1. Whether the insured may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

Pollution

"bodily injury" or "property damage" arising out of the discharge, dispersal, release or escape of:

1. smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals or liquids; or
2. gases, waste materials or other irritants, contaminants or pollutants.

into or upon land, the atmosphere or any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental;

any loss, cost or expense arising out of or in any way related to any governmental direction or other demand or request that you test for, assess, monitor, clean-up, remove, contain, treat, detoxify or neutralize any irritants, pollutants or contaminants, and we shall not have the duty to defend any claim or "suit" seeking to impose such cost, expense, damages or any other relief.

Aircraft, "Autos," Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."

This exclusion does not apply to:

1. A watercraft while ashore on premises you own or rent;
2. A watercraft you do not own that is:
 - a. Less than 50 feet long; and
 - b. Not being used to carry persons or property for a charge;
3. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
4. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
5. "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph 6.b. or 6.c. of the definition of "mobile equipment" in Section V.

Mobile Equipment

"Bodily injury" or "property damage" arising out of:

1. The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
2. The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

Nuclear

"Nuclear"

Care, Custody, or Control

"Property damage" to:

1. Property you own, rent, or occupy;
2. Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
3. Property loaned to you:

4. Personal property in your care, custody or control;
5. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph 2. of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs 3., 4., 5. and 6. of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph 6. of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

"Property Damage" to "Your Product"

"Property damage" to "your product" arising out of it or any part of it.

"Property Damage" to "Your Work"

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

Failure to Perform

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
2. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

Sistership

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. "Your product";
2. "Your work"; or
3. "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person

or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Premises Legal Exception

Only the exclusions above for EXPECTED OR INTENDED INJURY and for CONTRACTUAL apply to damage to premises rented to you. A separate limit of insurance applies to this coverage as described in SECTION III - LIMITS OF INSURANCE.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

INSURING AGREEMENT

We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B. We will have the right and duty to defend any "suit" seeking those damages. But:

1. The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE.
2. We may investigate and settle any claim or "suit" at our discretion; and
3. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

This insurance applies to "personal injury" only if caused by an offense:

1. Committed in the "coverage territory" during the Policy Period; and
2. Arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.

This insurance applies to "advertising injury" only if caused by an offense committed:

1. In the "coverage territory" during the Policy Period; and
2. In the course of advertising your goods, products or services.

EXCLUSIONS

This insurance does not apply to:

"Personal injury" or "advertising injury";

1. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
2. Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period;
3. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or

4. For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

"Advertising injury" arising out of:

1. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
2. The failure of goods, products or services to conform with advertised quality or performance;
3. The wrong description of the price of goods, products or services; or
4. An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

COVERAGE C. MEDICAL PAYMENTS

INSURING AGREEMENT

We will pay medical expenses as described below for "bodily injury" caused by an accident:

1. On premises you own or rent;
2. On ways next to premises you own or rent; or
3. Because of your operations;

provided that:

1. The accident takes place in the "coverage territory" and during the Policy Period;
2. The expenses are incurred and reported to us within one year of the date of the accident; and
3. The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

1. First aid at the time of an accident;
2. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
3. Necessary ambulance, hospital, professional nursing and funeral services.

EXCLUSIONS

We will not pay expenses for "bodily injury":

1. To any insured.
2. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
3. To a person injured on that part of premises you own or rent that the person normally occupies.
4. To a person, whether or not an employee of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers compensation or disability benefits law or a similar law.

5. To a person injured while taking part in athletics.
6. Included within the "products completed operations hazard."
7. Excluded under Coverage A..
8. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

We will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work.
5. All costs taxed against the insured in the "suit."
6. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

If you are designated in the Declarations as:

1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
2. A partnership or joint venture, you are an insured. Your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business.
3. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

Each of the following is also an insured:

1. Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, none of these employees is an insured for:
 - a. "Bodily injury" or "personal injury" to you or to a co-employee while in the course of his or her employment; or
 - b. "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
 - c. "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
2. Your volunteer workers, at your option.
3. Any lessor but only for liability assumed in a contract or agreement that is an "insured contract" and arising out of the ownership, maintenance or use of personal property leased to a Named Insured or that part of a premises leased to a Named Insured. However, this insurance does not apply:
 - a. to any "occurrence" which takes place after the Named Insured ceases to be a tenant in the premises;
 - b. to structural alterations, new construction or demolition operations performed by or on behalf of the lessor
4. Any person (other than your employee), or any organization while acting as your real estate manager.
5. Any person or organization having proper temporary custody of your property if you die, but only:
 - a. With respect to liability arising out of the maintenance or use of that property; and
 - b. Until your legal representative has been appointed.
6. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

1. "Bodily injury" to a co-employee of the person driving the equipment; or
2. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:

1. Coverage under this provision is afforded only until the 180th day after you acquire or form the

organization or the end of the Policy Period, whichever is earlier;

2. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
3. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

The Limits of Insurance for COMMERCIAL GENERAL LIABILITY COVERAGE shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

1. Insureds;
2. Claims made or "suits" brought; or
3. Persons or organizations making claims or bringing "suits."

The Each Occurrence Limit is the most we will pay for the sum of:

1. Medical expenses under Coverage C; and
2. Damages under Coverage A because of all "bodily injury" and "property damage" arising out of any one "occurrence";

except damages because of injury and damage included in the "products-completed operations hazard."

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of injury and damage included in the "products-completed operations hazard."

The Personal and Advertising Injury Aggregate Limit is the most we will pay for damages under Coverage B for all "personal injury" and all "advertising injury."

Subject to the Each Occurrence Limit above, the Premises Damage Limit is the most we will pay under Coverage A for damages because of "property damage" to premises rented to you arising out of any one "occurrence."

Subject to the Each Occurrence Limit above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The limits of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

Duties In The Event Of "Occurrence," Claim or "Suit"

You must see to it that we are notified promptly of an "occurrence" which may result in a claim. Notice should include:

1. How, when and where the "occurrence" took place; and
2. The names and addresses of any injured persons and witnesses.

If a claim is made or "suit" is brought against any insured, you must see to it that we receive prompt written notice of the claim or "suit."

You and any other involved insured must:

1. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
2. Authorize us to obtain records and other information;
3. Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
4. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

Legal Action Against Us

No person or organization has a right under this Coverage Form:

1. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
2. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Form, our obligations are limited as follows:

1. "Contingent" Insurance

This insurance is "contingent" except when 2. below applies. If this insurance is "contingent", our obligations are not affected unless any of the other insurance is also "contingent." Then, we will share with all that other insurance by the method described in 3. below.

2. Excess Insurance

This insurance is excess over any of the other insurance, whether "primary," excess, "contingent" or on any other basis:

- a. That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for your work";
- b. That is Fire, Extended Coverage or similar coverage for premises rented to you; or
- c. If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to the Exclusion of Coverage A (Section II) titled: Aircraft, Autos, Watercraft.

When this insurance is excess, we will have no duty under Coverage A or B to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- b. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Form.

3. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Premium Audit

1. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
2. Premium for this Coverage Form is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
3. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

Representations

By accepting this policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us; and
3. We have issued this policy in reliance upon your representations.

Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Form to the first Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom claim is made or "suit" is brought.

Transfer of Rights of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Notice of Accident

If you report an accident to the insurer providing "your workers" compensation insurance, and that accident later develops into a claim or "suit" under this Coverage Form, your failure to report such accident to us at the time of "occurrence" shall not be deemed a violation of the condition titled Duties in the Event of Occurrence, Claim or "Suit". However, you will notify us as soon as you become aware that the accident is a claim or "suit" under this Coverage Form.

Knowledge of "Occurrence"

Knowledge of an "occurrence" by your agent, servant or employee shall not constitute your knowledge of an "occurrence" unless one of your executive officers or someone responsible for administering your insurance program shall have received such notice from the agent, servant, or employee.

Unintentional Errors or Omissions

Your unintentional failure or omission to disclose all hazards existing as of the inception date of this policy shall not prejudice the coverage afforded by this policy.

SECTION V - DEFINITIONS

Advertising injury

means injury arising out of one or more of the following offenses:

1. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
2. Oral or written publication of material that violates a person's right of privacy;
3. Misappropriation of advertising ideas or style of doing business; or
4. Infringement of copyright, title or slogan.

Auto

means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment."

Bodily Injury

means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

Contingent

means insurance issued to apply to claims or "suits" arising from "occurrences" outside the country in which the insurance was issued. "Contingent" insurance takes the place of "primary" insurance when the "insured" has no "primary" insurance coverage which applies.

Contingent" insurance will pay only the amount by which its limit exceeds the limits of any "primary" insurance, including "primary" insurance issued on an excess basis, which applies.

When this insurance is "contingent," we have the right but not the duty to defend.

If no "primary" insurance coverage applies, we have the duty to defend.

Coverage territory

means "Coverage Territory for Liability Insurances" shown in the Declarations.

The "coverage territory" also includes:

1. international waters or airspace, provided the injury or damage does not occur in the course of travel or transportation from one place to another when both places are within the United States of America (including its territories and possessions), Puerto Rico and Canada; and
2. the United States of America (including its territories and possessions), Puerto Rico or Canada, if the insured's responsibility to pay damages is determined in a "suit" on the merits in any country other than the United States of America (including its territories and possessions), Puerto Rico or Canada, or in a settlement we agree to.

Impaired property

means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

1. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. The repair, replacement, adjustment or removal of "your product" or "your work"; or
2. Your fulfilling the terms of the contract or agreement.

Insured contract

means:

1. A lease of premises;

2. A sidetrack agreement;
3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
4. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
5. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
6. An elevator maintenance agreement; or
7. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage." Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

1. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - a. Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - b. Giving directions or instructions or failing to give them, if that is the primary cause of the injury or damage;
2. Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in 1. above and supervisory, inspection or engineering services; or
3. That indemnifies any person or organization for damage by fire to premises rented or loaned to you.

Loading or unloading

means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
2. While it is in or on an aircraft, watercraft or "auto"; or
3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

Mobile equipment

means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators. including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers;
6. Vehicles not described in 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Equipment designed primarily for:
 - i. Snow removal;
 - ii. Road maintenance, but not construction or resurfacing;
 - iii. Street cleaning;
- b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Nuclear

means this insurance does not apply:

Under any Liability Coverage, to "bodily injury" or "property damage":

1. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any other similar nuclear energy liability insurance underwriting association or organization, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
2. Resulting from the "hazardous properties" of "nuclear material" and with respect to which a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any other law or regulation requiring the insured to maintain such financial protection or any law amendatory thereof, or b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any other country, or any

agency thereof, under any agreement entered into by the United States of America, or any other country, or any agency thereof, with any person or organization;

Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization;

Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material," if:

1. The "nuclear material" a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or b) has been discharged or dispersed therefrom;
2. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
3. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion 3. applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this definition of "nuclear":

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear facility" means:

1. Any "nuclear reactor;"
2. Any equipment or device designed or used for a) separating the isotopes of uranium or plutonium, b) processing or utilizing "spent fuel," or c) handling, processing or packaging "waste;"
3. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
4. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste;"

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear material" means "source material," "special nuclear material" or "by-product material;"

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

"Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

"Waste" means any waste material a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

Occurrence

means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Personal injury

means injury, other than "bodily injury," arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
4. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
5. Oral or written publication of material that violates a person's right of privacy.

Primary

means insurance issued to respond prior to other insurance to claims or "suits" brought in the country in which such insurance was issued. "Primary" insurance may include insurance for claims or "suits" arising from "occurrences" which take place outside the country in which such insurance was issued.

Products-completed operations hazard

includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

1. Products that are still in your physical possession; or
2. Work that has not yet been completed or abandoned.

"Your work" will be deemed completed at the earliest of the following times:

1. When all of the work called for in your contract has been completed.
2. When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
3. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include "bodily injury" or "property damage" arising out of:

1. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
2. The existence of tools, uninstalled equipment or abandoned or unused materials;
3. Products or operations for which the classification in this Coverage Form, or in our manual of rules, includes products or completed operations.

Property damage

means:

1. Physical injury to tangible property, including all resulting loss of use of that property; or
2. Loss of use of tangible property that is not physically injured.

Suit

means a civil proceeding in which damages because of "bodily injury," "property damage," "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.

Your product

means:

1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. You;
 - b. Others trading under your name; or
 - c. A person or organization whose business or assets you have acquired; and
2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in 1. and 2. above.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

Your work

means:

1. Work or operations performed by you or on your behalf; and

2. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in 1. or 2. above.



ace usa

EMPLOYEE BENEFITS LIABILITY ENDORSEMENT CLAIMS MADE COVERAGE

This endorsement modifies coverage provided by the Commercial General Liability Coverage Form.

INSURING AGREEMENT

We will pay under this endorsement those sums that the insured becomes legally obligated to pay as damages because of a claim or "suit" brought by any employee, former employee, or their beneficiaries or legal representatives in connection with any error, omission, or breach of duty in the "administration" of your "employee benefits" programs.

This insurance applies only if a claim for damages covered by this endorsement is first made against any insured during the Policy Period.

WHO IS AN INSURED

Section II - Who Is An Insured of your policy is modified to include employees under this endorsement only while authorized to act in the "administration" of your "employee benefits" programs.

EXCLUSIONS

Insurance under this endorsement does not apply to any claim or "suit" arising out of:

1. any dishonest, fraudulent, criminal or malicious act;
2. any "bodily injury," "personal injury," "advertising injury" or "property damage";
3. any claim for failure of performance of contract by any insurer;
4. any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law;
5. any failure of stock to perform as represented by you; or
6. any advice given by you to your employees to participate or not to participate in stock subscription plans;
7. any actual or alleged error or omission or breach of duty, committed or alleged to have been committed by a trustee, in the discharge of fiduciary duties, obligations or responsibilities imposed by the Federal Employee Retirement Income Security Act of 1974 and amendments to the Act.

LIMITS OF INSURANCE

The Limits of Insurance shown in the Declarations for this endorsement and the rules below, fix the most we will pay regardless of the number of:

1. Insureds,
2. Claims made or "suits" brought, or

3. Persons or organizations making claims or bringing "Suits."

The annual aggregate limit is the most we will pay for the sum of all damages under this endorsement.

The each claim limit is the most we will pay for damages arising out of any one claim or "suit."

The Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SPECIAL DEDUCTIBLE

A Special Deductible in the amount of \$1,000 applies to each claim covered by this endorsement. We will subtract this amount from the amount of damages payable for each claim.

ADDITIONAL DEFINITIONS

The following additional definitions are added to Section V - Definitions:

Administration

means any of the following acts that you do or authorize a person to do:

1. Counseling employees on "employee benefits" programs;
2. Interpreting your "employee benefits" programs;
3. Handling records for your "employee benefits" programs; and
4. Effecting enrollment, termination or cancellation of employees under your "employee benefits" programs.

Employee benefits

means group life insurance, group health insurance, profit sharing plans, pension plans, employee stock subscription plans, employee travel, vacation, savings plans, workers' compensation, unemployment insurance, social security and disability benefits insurance.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 014

Effective: July 1, 2008

Policy Year From: July 1, 2008

To: July 1, 2009

Company Name: ACE American Insurance Company

Premium: ☒ Included ☐ \$ _____ Due When Coverage Begins:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - NOTICE OF OCCURRENCE

This endorsement modifies insurance under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

In the event of an occurrence to which this policy applies, written notice containing particulars sufficient to identify the insured and also reasonable obtainable information with respect to the time, place and circumstances of the occurrence shall be given by or for the insured to the company or its authorized agents as soon as practical after knowledge thereof comes to the Corporate Insurance Manager of the Named Insured, however, failure to notify the Company of any occurrence which at the time of its happening did not appear to involve this policy, but which, at a later date, would appear to give rise to claims hereunder, shall not prejudice such claims.

All other terms and conditions remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 012

Effective: July 1, 2008

Policy Year From: July 1, 2008

To: July 1, 2009

Company Name: ACE American Insurance Company

Premium: ☒ Included ☐ \$ _____ Due When Coverage Begins:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – BROAD FORM VENDORS

This endorsement modifies insurance under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Name of Person: Any Vendor whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.

Your Products: All of "Your Products"

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to above as vendor) shown in the Schedule, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:

- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- b. Any express warranty unauthorized by you;
- c. Any physical or chemical change in the product made intentionally by the vendor;
- d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

All other terms and conditions remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 015

Effective: July 1, 2008

Policy Year From: July 1, 2008

To: July 1, 2009

Company Name: ACE American Insurance Company

Premium: <input checked="checked" type="checkbox"/> Included	<input type="checkbox"/> \$ _____	Due When Coverage Begins:
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

This endorsement modifies insurance under the following:

INTERNATIONAL ADVANTAGE COMMERCIAL INSURANCE POLICY

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

All other terms and conditions of this policy remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 008

Effective: April 23, 2007

Policy Year From: December 1, 2006

To: December 1, 2007

Company Name: ACE American Insurance Company

Premium: ☒ Included ☐ \$ _____ Due When Coverage Begins:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – PARTNERSHIPS OR JOINT VENTURES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE:

Name of Partnership or Joint Venture:

Department of Agriculture
Governor's Office
Department of Commerce

WHO IS AN INSURED (Section II) is amended to include any partnership or joint venture shown in the Schedule or any new partnership or joint venture of which you are a member or partner. However, coverage under this provision is afforded as follows:

- a. only to the extent of your ownership interest in any partnership or joint venture; and
- b. as regards newly formed joint ventures, only if such new partnerships or joint ventures are reported to us within 60 days after their formation.

We shall have the right to review, approve and determine premium charge for newly formed partnerships or joint ventures.

Failure by the Named Insured to report to us as outlined above shall invalidate the coverage provided by this clause for any newly formed partnership or joint venture.

All other terms and conditions remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 004

Effective: December 1, 2006

Policy Year From: December 1, 2006

To: December 1, 2007

Company Name: ACE American Insurance Company

Premium: ☒ Included ☐ \$ _____ Due When Coverage Begins:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – WAR OR TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE CONTINGENT AUTO LIABILITY COVERAGE FOR

- A. War Exclusions under EXCLUSIONS of SECTION I – COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM and SECTION I – LIABILITY COVERAGE of the CONTINGENT AUTO LIABILITY COVERAGE FORM are deleted in their entirety and replaced by the following:

This insurance does not apply to:

War or Terrorism

"Bodily injury" or "property damage" arising, directly or indirectly, out of:

1. War, including undeclared or civil war;
2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these; or
4. "Terrorism", including any action taken in hindering or defending against an actual or expected incident of "terrorism"

regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

We will have no duty of any kind with respect to any such loss, demand, claim or "suit."

- B. The following exclusion is added to EXCLUSIONS of SECTION I – COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM:

This insurance does not apply to "personal injury" or "advertising injury" arising, directly or indirectly, out of:

1. War, including undeclared or civil war;

This insurance does not apply to "personal injury" or "advertising injury" arising, directly or indirectly, out of:

1. War, including undeclared or civil war;
2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these; or
4. "Terrorism", including any action taken in hindering or defending against an actual or expected incident of "terrorism"

regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

We will have no duty of any kind with respect to any such loss, demand, claim or "suit."

C. Exclusion 8. under EXCLUSIONS of SECTION I – COVERAGE C. MEDICAL PAYMENTS of COMMERCIAL GENERAL LIABILITY COVERAGE does not apply.

D. The following definition is added to the DEFINITIONS Section of the Coverage Forms:

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involves the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; or
 - d. Use, release or escape of nuclear materials; or
 - e. Use, release or escape of nuclear materials that directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
 - f. Dispersal or application of pathogenic or poisonous biological or chemical materials; or
 - g. Release of pathogenic or poisonous biological or chemical materials, and it appears that one purpose of the "terrorism" was to release such materials; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

"Terrorism" shall also include any incident determined to be such by a government official, department or agency that has been specifically authorized by federal statute or executive order to make such a determination.

All other terms and conditions remain unchanged.

"Terrorism" shall also include any incident determined to be such by a government official, department or agency that has been specifically authorized by federal statute or executive order to make such a determination.

All other terms and conditions remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 003

Effective: December 1, 2006

Policy Year From: December 1, 2006

To: December 1, 2007

Company Name: ACE American Insurance Company

Premium: <input checked="" type="checkbox"/> Included	<input type="checkbox"/> \$ _____	Due When Coverage Begins:
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - SILICA OR SILICA-RELATED DUST

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The following exclusion is added to Exclusions of SECTION I - COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Exclusions of SECTION I - COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:

Exclusions

This insurance does not apply to:

1. "Personal injury" or "advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

2. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the DEFINITIONS SECTION:

"Silica"

means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds

"Silica-related dust"

means a mixture or combination of silica and other dust or particles.

All other terms and conditions remain unchanged.



ace usa

Named Insured: State of Montana

Policy Number: PHFD37065602

Endorsement Number: 002

Effective: December 1, 2006

Policy Year From: December 1, 2006

To: December 1, 2007

Company Name: ACE American Insurance Company

Premium: ☒ Included ☐ \$ _____ Due When Coverage Begins:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS OR ASBESTOS – CONTAINING PRODUCTS OR MATERIALS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to EXCLUSIONS of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY and EXCLUSIONS of COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY (Section I):

This insurance does not apply to:

Any "bodily injury", "property damage", "personal injury", "advertising injury" or loss, cost, expense or obligation arising out of or in any way related to the actual, alleged or threatened presence of or exposure to asbestos or asbestos-containing products or material. Asbestos means the mineral in any form whether or not the asbestos was at any time:

1. Airborne as a fiber, particle, or dust;
2. Contained in or formed a part of a product, structure, or other real or personal property;
3. Carried on clothing;
4. Inhaled or ingested; or
5. Transmitted by any other means.

We will have no duty of any kind with respect to any such loss, demand, claim or suit.

All other terms and conditions remain unchanged.